

CERTIFIED MAIL RETURN RECEIPT REQUESTED

JUN 2 5 2009

Mr. David Browning

Oak Grove, MO 64075

RE: MUR 6131

Public Television 19, Inc.

Dear Mr. Browning:

On June 18, 2009, the Federal Election Commission ("Commission") reviewed the allegations in your complaint dated November 17, 2008, and found that on the basis of the information provided in your complaint, and information provided by the respondent, there is no reason to believe Public Television 19, Inc. violated the Federal Election Campaign Act of 1971, as amended, or the Commission's regulations. Accordingly, on June 18, 2009, the Commission closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analyses, which more fully explains the Commission's findings, are enclosed.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely, Sura L. Lebeauf

Susan L. Lebeaux

Assistant General Counsel

Enclosure
Factual and Legal Analyses

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Public Television 19, Inc.

MUR 6131

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l. INTRODUCTION

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The complaint in this matter alleges that Public Television 19, Inc. ("Public Television") staged a debate in violation of 11 C.F.R. § 110,13(b) and (c) because it promoted some candidates over others and had no pre-existing, pre-established criteria for selecting the candidates to participate. According to the complaint, the debate consisted of one candidate competing in the election for the U.S. House of Representatives in Missouri's 6th Congressional District, Democratic nominee Kay Barnes, and an "empty chair" representing another competing candidate. Republican incumbent Representative Sam Graves, who had declined to participate in the debate. The complainant, the Libertarian candidate for the same office, alleges that he was never invited to participate and that Respondent's president informed him that there would be no debate. Further, the complaint alleges that Public Television's violation of 11 C.F.R. § 110.13 resulted in an in-kind contribution in excess of \$100,000 (alleged cost of advertising time during the debate) to Kay Barnes's campaign. In response, Public Television maintains that it complied fully with the Act and the Commission's regulations when preparing for a candidate debate that ultimately never took place. Moreover, Respondent states that the October 10, 2008, interview with Kay Barnes, which is the subject of the complaint, enjoys First Amendment protection under the "press exemption."

As discussed in more detail below, Public Television's airing of the October 10, 2008, interview with Kay Barnes did not constitute a debate, and therefore was not subject to the Commission's debate staging regulations. Additionally, Public Television falls within the press 6

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- exemption, as it a press entity that is not owned or controlled by any political party, committee,
- 2 or candidate, and the television program in question was a legitimate press activity. Therefore,
- the Commission has determined to find no reason to believe that Public Television 19. Inc.
- 4 violated the Federal Election Campaign Act of 1971, as amended ("the Act"), or the
- 5 Commission's regulations.

II. <u>FACTUAL AND LEGAL ANALYSIS</u>

A. Facts

Public Television is a non-profit 501(c)(3) corporation that owns the license to operate 8 both analog and digital broadcasting for the noncommercial and educational television station 9 KCPT Channel 19. Originally formed as an instructional television station owned and operated 10 11 by the Kansas City Missouri School District. Public Television eventually became a Public Broadcasting Service ("PBS") member in 1970 and has transmitted national PBS programs ever 12 13 since. See http://www.kcpt.org/about/index.shtml. In addition to national PBS programming, KCPT also broadcasts a variety of local programs reflecting issues facing the Kansas City 14 metropolitan area. Included among these programs is "Kansas City Week in Review" 15 ("KCWR"), a 30-minute public affairs program that has aired continuously on KCPT on Fridays 16 evenings at 7:30 p.m. since October 1992. Public Television Response at 8. Its format is similar 17 in scope to Sunday network news programs like NBC's "Meet the Press" and CBS's "Face the 18 Nation" as moderator Nick Haines conducts interviews with Kansas City area newsmakers and 19 20 engages in panel discussions with local journalists. KCPT states in response to the complaint that it does sell any airtime for commercial, political, or issue advertisements given its status as a 21 public broadcast station. Id. at 2, footnote 5. 22

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1 According to the response, in July 2008, KCPT was contemplating staging a debate of 2 selected candidates for the 2008 general election to the United States House of Representatives 3 for Missouri's Sixth Congressional District. Complainant David Browning called Respondent during that month, requesting inclusion in the anticipated debate. Id. at 6. At that time, Susan 4 Stanton, KCPT Interim CEO and President, notified Mr. Browning during their phone 5 conversation that KCPT had not yet determined whether it would proceed with or cancel the 6 7 contemplated debate. Id. On July 29, 2009, KCWR moderator Nick Haines attempted to contact 8 Browning by telephone and left a voicemail message, reiterating that KCPT had not yet decided 9 whether it would proceed with the debate "because the incumbent candidate had not responded to KCPT's overtures." Id. Mr. Haines also offered to send the complainant a copy of 10 11 KCPT(TV)'s debate policy. The Respondent states that it devised its debate policy in 2000 after consulting with PBS 12 stations throughout the country and the PBS Best Practices in Journalism Unit. Id. at 4. The 13 policy establishes certain criteria that candidates must satisfy to be eligible to participate in 14 15 KCPT sponsored debates. The first criterion qualifies candidates who can demonstrate public 16 support of seven percent or more in one public opinion poll. Id. If a candidate has met this threshold, to be eligible for participation, he or she must also meet at least three of the following 17 18 criteria: (1) file a campaign finance report revealing 20 contributions unrelated to the candidate or candidate's family; (2) maintain a candidate website detailing biography and issues; 19 (3) minimum of 25 yard signs promoting candidacy in 25 different locations in the area that 20 candidate would serve; (4) demonstrate participation in other candidate forums, not just televised 21 debates; and (5) demonstrate community engagement by staging 12 campaign related events, 22 news conferences or neighborhood association meetings. Id. at 4-5. Based on Mr. Haines's 23

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review of Mr. Browning's public opinion poll support levels, the complainant's campaign failed

to meet the polling requirement, as he had registered only 4% public support at the time

3 Respondent considered holding a debate. Thus, the other criteria were not triggered, but if they

4 were, the only criterion complainant satisfied was his publication of a campaign website. On

5 August 18, 2009, Mr. Haines sent a letter to the complainant explaining KCPT's candidate

6 selection process for its debates and attached a copy of its debate policy. Public Television

Response, Exhibit B.

On August 25, 2008, the Graves campaign notified Respondent that the incumbent candidate would not participate in the anticipated candidate debate. According to the Respondent, it then determined that "proceeding with the contemplated debate without the incumbent would not serve the public interest or KCPT(TV) viewers' needs" and "terminated its plans to stage a candidate debate." *Id.* at 7. Subsequently, KCWR's October 10, 2008, edition included Nick Haines's 11-minute interview with Democratic nominee Kay Barnes. After the interview, the remainder of the 30-minute program focused on a roundtable panel discussion with Mr. Haines and two local journalists about the Missouri congressional race between Graves and Barnes and other unrelated topics. *Id.* at 9, Exhibit D.

The complaint argues that this program constituted a debate, noting that the Kansas City Star newspaper, Time Warner Cable's "On Demand" TV description of the KCWR's October 10, 2008, program, and even the Barnes campaign website in a press release all describe the program as such. Complaint at 2. Moreover, the complaint alleges that moderator Nick Haines described the interview with Kay Barnes as a debate on the broadcast, and notes that Kay Barnes was seated next to one "empty chair" to represent the absent incumbent candidate. *Id.* at 3.

ı Respondent disputes these allegations in its response. With respect to the classifications of the program as a "debate" by the Kansas City Star and the Barnes campaign, Respondent states 2 that the complaint can cite no authority that would bind the Commission to subject the interview 3 in question to the provisions of Sections 110.13 and 114.4(f) based on these second-hand 4 5 descriptions. Public Television Response at 9. Additionally, Public Television maintains that "Mr. Haines did not describe the Kay Barnes Interview as a 'debate," noting that the moderator 6 used the term "debate" "in the context of criticizing Representative Graves's refusal to 7 participate in any televised debate during the election," not to suggest that the interview to 8 follow constituted a candidate debate. Id. at 10. Finally, it contends that the complaint's 9 characterization of the KCWR set as "evidence of an attempt to substitute an 'empty chair' for a 10 debate-necessary second candidate is not only absurd, but clearly insufficient to deem the Kay 11 12 Barnes' interview as a debate." Id. Respondent adds that the imagery of Kay Barnes and the 13 empty chair was visible for only nine seconds at the beginning of the interview, when the camera panned in on the entire desk where the moderator was interviewing Ms. Barnes. Id. It further 14 states that the reason for the third chair becomes evident in the next segment of the program, as 15 the moderator conducted a panel roundtable discussion with two journalists. Id. See also 16 Exhibit D. A review of a video of the program confirms Respondent's account of the broadcast. 17 Id. 18

B. Analysis

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The Act prohibits corporations from making contributions or expenditures from their general treasury funds in connection with any election of any candidate for Federal office.

2 U.S.C. § 441b(a). The Act defines "contribution" and "expenditure" to include any gift of money or "anything of value" made for the purpose of influencing any election for Federal

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- office, but excludes any cost "incurred in covering or carrying a news story, commentary, or
- 2 editorial by any broadcasting station (including a cable television operator, programmer, or
- 3 producer), ... unless the facility is owned or controlled by any political party, political
- 4 committee, or candidate." 2 U.S.C. § 431(8)(A)(i), (9)(A)(i), and (9)(B)(i); 11 C.F.R. §§ 100.52,
- 5 100.73, 100.111(a), and 100.132. This exclusion is known as the "press exemption." or "media
- 6 exemption." The term "anything of value" includes in-kind contributions. 11 C.F.R.
- 7 § 100.52(d)(1).
- 8 Any party claiming the press exemption is subject to a two-part test. First, the
- 9 Commission asks whether the entity engaging in the activity is a "press entity" within the
- meaning of the Act and the Commission's regulations. In determining whether an entity is a
- press entity, the Commission has focused on whether it is in the business of producing on a
- 12 regular basis a program that disseminates news stories, commentary, and/or editorials. See
- Advisory Opinions 2008-14 (Melothe, Inc.), 2007-20 (XM Satellite Radio Inc.), and 2005-19
- (The Inside Track). Second, the Commission, in determining the exemption's scope, asks (a)
- 15 whether the press entity is owned or controlled by a political party, committee, or candidate; and,
- if not, (b) whether the entity was functioning within the scope of a legitimate press entity at the
- 17 time of the alleged violation. If the press entity is independent of any political party, committee,
- or candidate, and if it was acting as a legitimate press entity at the time of the alleged violation, it
- 19 is exempt from the Act's restrictions on corporate contributions and expenditures, and the
- 20 Commission's inquiry should end. See Reader's Digest Association v. FEC, 509 F. Supp. 1210,
- 21 1215 (S.D.N.Y. 1981); FEC v. Phillips Publishing, 517 F. Supp. 1308, 1312-13 (D.D.C. 1981);
- 22 Advisory Opinions 2008-14 (Melothe, Inc.), 2005-19 (The Inside Track), and 2005-16 (Fired
- 23 Up!).

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A corporation's costs of staging candidate debates are also exempt from the definitions of "contribution" and "expenditure," at 11 C.F.R. §§ 100.92 and 100.154, respectively, and the consequences that flow from making contributions and expenditures, provided that the debates meet the "safe harbor" requirements of 11 C.F.R. §§ 110.13 and 114.4(f). The Commission's regulations at section 110.13 also provide that broadcasters may stage candidate debates provided that they are not owned or controlled by a political party, political committee or candidate. 11 C.F.R. § 110.13(a)(2). The debates must include at least two candidates and not be structured to promote or advance one candidate over another. 11 C.F.R. §§ 110.13(b)(1) and (2). Organizations that stage candidate debates must use pre-established objective criteria to determine which candidates may participate in the debate. 11 C.F.R. § 110.13(c). In this matter, the complaint alleges that Public Television, through its television station KCPT, violated 11 C.F.R. §§ 110.13 by staging a debate designed to promote some candidates over others, and by selecting candidates without pre-existing pre-established criteria in selecting the candidates that appeared at the debate. Neither of these allegations appears to be supported by the facts. Although Respondent acknowledges that it originally contemplated staging a debate with Representative Graves and Ms. Barnes, the only candidates satisfying Public Television's pre-existing objective criteria for selecting candidates, when the incumbent candidate would not participate in the anticipated debate. KCPT was left with only one candidate who satisfied its own selection criteria. Accordingly, it terminated its plan to stage a candidate debate. As no debate occurred, Respondent was not subject to the Commission's debate staging regulations. Instead, Public Television's October 10, 2008, interview of candidate Kay Barnes represented activity that falls within the "press exemption." See 2 U.S.C. § 431(8)(A)(i),

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- (9)(A)(i), and (9)(B)(i); 11 C.F.R. §§ 100.73. First, Public Television is a press entity because it
- 2 regularly produces and airs news stories and talk shows. The program that featured the
- interview, KCWR, has been on the air continuously for nearly 17 years, and focuses on
- 4 newsworthy issues. In addition to KCWR, KCPT airs numerous local and national news and
- 5 public affairs programs including, but limited to, "Frontline," "The Newshour with Jim Lehrer,"
- 6 "Washington Week in Review" and "Ruckus," another local public affairs program. Further,
- 7 Public Television specifically denies that it is owned or controlled by any political party,
- 8 political committee, or candidate, see Public Television Response at 8, and neither the complaint
- 9 nor the available evidence suggests otherwise. Finally, the October 10, 2008, edition of the
- 10 KCWR constituted legitimate press activity. It included an interview with a candidate in a
- manner similar to other television news programs like "Meet the Press" or "60 Minutes." See
- 12 Public Television Response, Exhibit D. The fact that the program featured an interview with a
- 13 candidate is immaterial, as on-air interviews of candidates fall within the bounds of the press
- exemption. See, e.g., MUR 5569 (John and Ken Show). Accordingly, the alleged activity in this
- 15 matter falls squarely within the press exemption. Therefore, the Commission has determined to
- 16 find no reason to believe that Public Television 19 violated the Federal Election Campaign Act
- of 1971, as amended, or the Commission's regulations.